

First Citizens Bank Limited and its Subsidiaries

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR SIX MONTHS ENDED 31 MARCH 2015
(Expressed In Trinidad And Tobago Dollars)



First Citizens

Executive Chairman's Report

We are pleased to report that the First Citizens Group has concluded another profitable quarter. Profit after taxation for the three months ended March 31st 2015, amounted to approximately \$148.0m. This brought the year to date profit for the six months to \$325.6m which represents an increase by 1.5% as compared to the corresponding period in 2014. We were able to manage our expenses while we grew our total income, resulting in an increase in operating profit by \$9.4m. Total assets amounted to \$35.8b which represents growth of 2.7% during the six month period to March 2015. Most remarkable were our loan and investment growth of 15.8% and 7.2% respectively. The Group's first quarter performance was particularly noteworthy in light of current market conditions which continue to be marked by high liquidity and low interest rates.

Based on the above performance for the six month period to March 31st 2015, the Board has declared an interim dividend of 58 cents per ordinary share. This dividend will be paid on May 29th to shareholders on record as at May 15th, 2015

We continue to monitor very closely the developments surrounding oil and gas prices and the resulting impact on government revenue and economic activity. Notwithstanding, the board and management remain confident of continued growth for fiscal 2015.

We are indeed very proud of our achievements during the period. I would like to express my gratitude to the staff, customers, my fellow directors and all other stakeholders for their invaluable contribution to the continuing profitability of the First Citizens Group.

Anthony Isidore Smart
Anthony Isidore Smart
Executive Chairman
27 April 2015

Condensed Consolidated Interim Statement of Financial Position

	Unaudited Mar-15 \$'000	Unaudited Mar-14 \$'000	Audited Sep-14 \$'000
ASSETS			
Cash and Statutory Deposits	6,599,628	8,352,992	8,285,751
Financial assets			
- Investments	12,550,613	12,199,332	11,705,418
- Loans and receivables less allowance for loan losses:			
Loans to customers	12,911,795	11,568,291	11,154,553
Loans notes	2,423,565	2,504,828	2,455,001
Other assets	437,521	379,703	351,002
Investment in joint ventures & associates	151,883	143,688	148,851
Property, plant and equipment	480,584	456,894	479,214
Intangible asset	201,276	211,120	203,245
Defined benefit asset	51,481	--	74,933
TOTAL ASSETS	35,808,346	35,816,848	34,857,968
LIABILITIES			
Customers' deposits and other funding instruments	26,676,468	27,435,427	25,697,859
Due to other banks	22,374	86,501	82,454
Creditors and accrued expenses	762,386	746,227	832,533
Debt securities in issue	1,929,303	1,456,530	1,945,769
Notes due to related companies	58,000	58,000	58,000
TOTAL LIABILITIES	29,448,531	29,782,685	28,616,615
SHAREHOLDERS' EQUITY			
Share capital	643,557	643,557	643,557
Statutory reserve	672,768	669,717	672,768
Fair value reserve	1,273,062	1,276,379	1,323,970
Retained earnings	3,770,428	3,444,510	3,601,058
SHAREHOLDERS' EQUITY	6,359,815	6,034,163	6,241,353
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	35,808,346	35,816,848	34,857,968

On 27 April 2015, the Board of Directors of First Citizens Bank Limited authorised these consolidated financial statements for issue.

Director: *[Signature]*

Director: *[Signature]*

Condensed Consolidated Interim Income Statement

	Unaudited Three months ended		Unaudited Six months ended		Audited Sep-14
	Mar-15	Mar-14	Mar-15	Mar-14	Sep-14
	\$'000	\$'000	\$'000	\$'000	\$'000
Net interest income	290,929	283,780	577,590	575,989	1,156,681
Other income	150,222	138,318	293,684	274,274	524,438
Total net income	441,151	422,098	871,274	850,263	1,681,119
Impairment expenses net recoveries	(11,704)	(6,427)	(21,753)	(18,549)	(12,884)
Expenses	(237,681)	(229,531)	(448,216)	(439,812)	(913,081)
Operating profit	191,766	186,140	401,305	391,902	755,154
Share of profit in associates and joint venture	1,627	2,349	6,431	8,218	17,421
Profit before taxation	193,393	188,489	407,737	400,120	772,575
Taxation	(45,434)	(42,568)	(82,118)	(79,353)	(146,015)
Profit after taxation	147,959	145,921	325,618	320,767	626,560
Earnings Per Share - Basic			\$1.30	\$1.28	\$2.49
Weighted Average Number of Share - Basic			251,354	251,354	251,354

Condensed Consolidated Statement Of Comprehensive Income

	Unaudited Three months ended		Unaudited Six months ended		Audited Sep-14
	Mar-15	Mar-14	Mar-15	Mar-14	Sep-14
	\$'000	\$'000	\$'000	\$'000	\$'000
Profit after taxation	147,959	145,921	325,618	320,767	626,560
Other comprehensive income:					
Items that will not be classified to profit or loss					
Amortisation of gain on held to maturity assets transferred from available-for-sale net of tax	(1,346)	(1,353)	(2,455)	(3,342)	(4,447)
Remeasurement of Defined Benefit Liability	--	--	(6,464)	--	106,054
Revaluation of property, plant and equipment net of tax	--	--	--	--	2,964
	(1,346)	(1,353)	(8,919)	(3,342)	104,571
Items may be classified to profit or loss					
Exchange difference on translation	(1,201)	1,257	4,025	4,368	(6,708)
Transfer of net realised gain to current year income	(5,058)	--	(7,045)	(41,545)	(65,525)
Revaluation of available-for-sale assets & property	(27,708)	15,725	(38,969)	62,486	37,220
	(33,967)	16,982	(41,989)	25,309	(35,013)
Total other comprehensive income	(35,313)	15,629	(50,908)	21,967	69,558
Total comprehensive income	112,646	161,550	274,710	342,734	696,118

Condensed Consolidated Statement of Changes In Equity

	Share Capital \$'000	Statutory Reserve \$'000	Other Reserve \$'000	Retained Earnings \$'000	Shareholders' Equity \$'000
Balance at 1 October 2014	643,557	672,768	1,323,970	3,601,058	6,241,353
Total comprehensive income	--	--	(50,908)	325,618	274,710
Dividends	--	--	--	(156,248)	(156,248)
Balance at 31 March 2015	643,557	672,768	1,273,062	3,770,428	6,359,815
Balance at 1 October 2013	643,557	669,717	1,254,412	3,397,718	5,965,404
Total comprehensive income	--	--	21,967	320,767	342,734
Dividends	--	--	--	(273,975)	(273,975)
Balance at 31 March 2014	643,557	669,717	1,276,379	3,444,510	6,034,163
Balance at 1 October 2013	643,557	669,717	1,254,412	3,397,718	5,965,404
Total comprehensive income	--	--	69,558	626,560	696,118
Dividends	--	--	--	(420,169)	(420,169)
Transfer to statutory reserve	--	3,051	--	(3,051)	--
Balance at 30 September 2014	643,557	672,768	1,323,970	3,601,058	6,241,353



Condensed Consolidated Statement Of Cash Flow

	Unaudited Mar-15 \$'000	Unaudited Mar-14 \$'000	Audited Sep-14 \$'000
Cash Flow From Operating Activities			
Profit before taxation	407,736	400,120	772,575
Adjustments to reconcile profit to net cash provided by operating activities:	71,231	37,977	49,853
Cashflows from operating activities before changes in operating assets and liabilities	478,967	438,097	822,428
Changes in operating assets and liabilities:			
Net change in loans to customers	(1,767,869)	(65,927)	376,580
Net change in customers' deposits and other funding	978,609	1,802,223	64,655
Net change in other assets	(116,788)	(1,010,227)	(976,620)
Net change in statutory deposits with Central Bank	865,514	1,371,802	1,330,183
Net change in creditors and accrued expenses	(22,797)	(140,854)	(35,131)
Taxes paid	(110,160)	(45,281)	(121,840)
Net cash flow from operating activities	305,476	2,349,833	1,460,255
Cash Flows From Investing Activities			
Net change in investments	(909,820)	(240,206)	143,809
Net change in loan notes	31,436	31,152	80,979
Net change in short-term investments	231,646	4,321	(457,362)
Proceeds from disposal of property, plant and equipment	4,922	--	1,578
Purchase of property, plant and equipment	(36,894)	(27,949)	(79,304)
	(678,710)	(232,682)	(310,300)
Cash Flows From Financing Activities			
Net change of debt securities	--	(1,000,000)	(500,000)
Dividend paid	(156,248)	(273,975)	(420,169)
Net cash flow from financing activities	(156,248)	(1,273,975)	(920,169)
Effect of exchange rate changes	599	(3,380)	43,513
Net cash (decrease)/increase in cash and cash equivalents	(528,883)	839,796	273,299
Cash and cash equivalents at beginning of year	2,182,428	1,909,129	1,909,129
Cash and cash equivalents at end of period	1,653,545	2,748,925	2,182,428
REPRESENTED BY:-			
Cash and due from banks and Statutory Deposits	6,599,627	8,352,992	8,285,751
Statutory Deposits	(4,543,289)	(5,367,185)	(5,408,804)
Due to other banks	(22,374)	(86,501)	(82,454)
Short Term Investments (Maturity over 3 months)	(380,419)	(150,381)	(612,065)
	1,653,545	2,748,925	2,182,428

Notes to the Condensed Consolidated Interim Financial Statements

1. General Information

First Citizens Bank Limited (the Bank) and its subsidiaries (together the Group) provide retail, commercial and corporate banking as well as investment banking services. The Group operates primarily in Trinidad and Tobago and the Eastern Caribbean region.

The Bank is a subsidiary of First Citizens Holdings Limited (Holdings), a company owned by the Government of the Republic of Trinidad and Tobago (GORTT).

On 12 September 1993, the Workers' Bank (1989) Limited, National Commercial Bank of Trinidad and Tobago Limited and Trinidad Co-operative Bank Limited under and by virtue of vesting orders made by the Minister of Finance under section 49 of the Financial Institutions Act, 1993, were transferred to and became vested in the Bank.

All entities which were transferred to, or from which specific assets or liabilities were transferred to the Bank, were wholly owned or controlled by the Trinidad and Tobago Government. Therefore, the transfers were recorded as a combination of interests under common control whereby all assets and liabilities transferred to the Bank were transferred at their carrying amounts in the accounts of the transferred or transferring entities at the dates of the respective transfers.

The Group currently comprises the following entities:

Entity	Nature of operations	Country of incorporation	Ownership interest
First Citizens Asset Management Limited	Investment & asset management services for corporate benefit plans, mutual funds and other parties	Trinidad & Tobago	100%
First Citizens Bank (Barbados) Limited	Banking, including the provision of mortgages for residential and commercial properties	Barbados	100%
First Citizens Costa Rica SA	Service related transactions	Costa Rica	100%
First Citizens Financial Services (St. Lucia) Limited	Selected banking and financial service operations	St. Lucia	100%
First Citizens Investment Services Limited	Investment & asset management services and repo business	Trinidad & Tobago	100%
First Citizens Securities Trading Limited	Financial management services and repo business	Trinidad & Tobago	100%
First Citizens (St. Lucia) Limited	Selected banking and financial service operations	St. Lucia	100%
First Citizens Trustee Services Limited	Provision of trustee, administration and bond paying agency services	Trinidad & Tobago	100%

The Group currently comprises the following entities:

Entity	Nature of operations	Country of incorporation	Ownership interest
Infolink Services Limited	Provision of automated banking reciprocity services	Trinidad & Tobago	25%
Trinidad and Tobago Interbank Payment System Limited	Automated clearing house	Trinidad & Tobago	14.29%
St. Lucia Electricity Services Limited	Provision of electrical power to consumers	St. Lucia	19%

2. Basis of preparation

The Interim financial statement for the six months period ended 31 March 2015, has been prepared in accordance with IAS 34 "Interim Financial Reporting".

3. Significant Accounting Policies

The accounting policies adopted in the preparation of the interim financial statement are consistent with those followed in the preparation of the annual financial statements for the year ended 30 September 2014.

4. Commitments

Capital Commitments

Capital expenditure approved by the Directors but not provided for in these accounts:

Unaudited Mar-15 \$'000	Unaudited Mar-14 \$'000	Audited Sep-14 \$'000
8,621	11,175	12,529

Credit Commitments

Commitments for loans approved not yet disbursed:

949,564	671,006	386,117
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5. Related Party Transactions

(a) Directors and key management personnel

Salaries and other short-term employee benefits
Loans and receivables

18,914	17,766	29,755
28,865	22,103	17,138

Interest income

426	557	551
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Customers' deposits

10,539	17,390	7,858
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Interest expense

49	65	57
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Other funding instruments

1,349	1,457	1,313
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Interest expense-other funding

16	18	34
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(b) Transactions with associate

Loans and receivables

63,184	79,655	70,859
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Interest income

2,392	2,957	5,593
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(c) Transactions with Parent

Customers' deposit

3,456	1,382	2,471
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Long-term notes

58,000	58,000	58,000
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Loan note

41,713	46,927	41,713
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Interest income on loan notes

2,392	2,691	5,246
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(d) Government of the Republic of Trinidad and Tobago

Assets

Loan notes

513,642	582,127	547,885
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Notes receivable from Central Bank

1,868,210	1,875,773	1,865,403
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Liabilities

Due to GORTT

89,112	111,316	92,065
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Interest Income

Loan notes

31,417	35,344	74,154
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Notes receivable from Central Bank

11,075	11,911	23,005
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(e) Other transactions with the Government of the Republic of Trinidad and Tobago

In addition to the balances in (d) above, the Group in its ordinary course of business enters into lending, deposit and investment transactions with the GORTT, other state owned institutions, state agencies and local government bodies. Transactions and balances between the Group and these related parties are as follows:

Loans to customers	2,327,503	2,528,960	2,111,816
Interest income	74,512	88,323	150,654
Customers' deposits	11,818,695	9,026,227	8,371,000
Interest expense	11,158	11,652	19,986
Investments	6,473,539	6,035,389	5,838,302
Investment income	126,550	150,163	180,006
Other funding instruments	1,147,799	1,540,718	2,125,294
Interest expense	6,072	5,794	17,381

6. Contingent Liabilities

Litigation

The Group is involved in claims and counterclaims arising from the conduct of its business. Based on the facts now known to the Group, the Directors believe that the outcome of these matters would not have a material adverse effect on the position of the Group.

7. Segment Reporting

The segmental information used by the Executive and Senior Management is as follows:-

	Retail & Corporate Banking \$'000	Treasury & Investments Banking \$'000	Trustee & Asset Management \$'000	Group Functions \$'000	Eliminations \$'000	Total \$'000
Period ended 31 March 2015						
Total Net Income	535,230	787,731	113,517	2,648	(567,852)	871,274
Profit Before Taxation	295,348	671,185	94,518	(91,144)	(562,170)	407,737
Total Assets	15,163,061	22,876,783	361,734	715,783	(3,309,015)	35,808,346
Period ended 31 March 2014						
Total Net Income	533,390	461,413	94,310	2,702	(241,552)	850,263
Profit Before Taxation	296,209	338,363	76,826	(83,692)	(227,586)	400,120
Total Assets	14,119,109	23,835,535	312,216	745,464	(3,195,476)	35,816,848
Year ended 30 September 2014						
Total Net Income	1,056,272	676,273	193,106	5,415	(249,947)	1,681,119
Profit Before Taxation	579,252	439,102	154,475	(170,104)	(230,150)	772,575
Total Assets	13,353,996	23,804,673	479,916	389,887	(3,170,504)	34,857,968